

CAUSE NO. 05-04-03592-CV

TODD PETERS, ET AL.
Plaintiffs,

VS.

PHILLIPE MULACEK, ET AL.
Defendants

§ IN THE DISTRICT COURT
§
§
§ MONTGOMERY COUNTY, TEXAS
§
§ 284TH JUDICIAL DISTRICT COURT

INTEROIL DEFENDANTS' FIRST AMENDED ANSWER

Defendants, InterOil Corporation, S.P. InterOil, LDC. and E.P. InterOil, Ltd. (the "InterOil Defendants"), file their First Amended Answer as follows:

1. The InterOil Defendants deny each and every allegation in Plaintiffs' Fourth Amended Petition and Jury Demand, as it may be amended and supplemented, and demand strict proof thereof under the laws and Constitution of the State of Texas.

2. Plaintiffs' claims are barred, in whole or in part, under the statute of limitations.

3. Plaintiffs' claims are barred, in whole or in part, under the doctrine of laches.

4. Plaintiffs' claims are barred, in whole or in part, under the doctrines of release, waiver, estoppel, accord and satisfaction, and ratification.

5. Plaintiffs lack standing to assert their claims.

6. Plaintiffs' claims are barred by Plaintiffs' own fraud and fraudulent conduct.

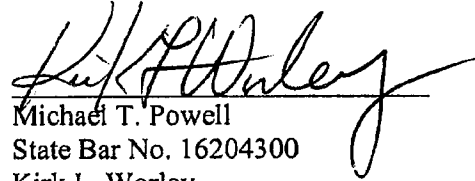
7. Plaintiffs do not have legal capacity to sue the InterOil Defendants, Plaintiffs are not entitled to recover in the capacity in which they sue, the InterOil Defendants are not liable in the capacity sued, and, therefore, there is a defect of parties.

8. All conditions precedent to Plaintiffs' right of recovery, if any, have not occurred. Plaintiffs have not given requisite notice to, nor made requisite demand on, the InterOil Defendants.

Accordingly, the InterOil Defendants respectfully pray that the Plaintiffs take nothing by way of this lawsuit, that the InterOil Defendants be dismissed without liability, that they recover costs of suit, and for such other relief to which they may be entitled.

Respectfully submitted,

HAYNES AND BOONE, LLP



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ATTORNEYS FOR INTEROIL
CORPORATION, S.P. INTEROIL, LDC.,
AND E.P. INTEROIL, LTD.

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing instrument was served on the following counsel of record in accordance with the Texas Rules of Civil Procedure on May 9, 2008:

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Yasser A. Madriz
Yasser A. Madriz *by KFW*

User ID: BARNETTH

=====

TO: Name: Thomas M. Farrell

Company:

Fax Phone Number: (713) 571-9652

Contact Phone Number:

Info Code 1: 34005

Info Code 2: 18

Sent to remote ID:7137513111

Sent at:Fri May 09 14:41:56 2008

Sent on channel 5

Elapsed Time: 1 minute, 32 seconds

Transmission Status (0/339;0/0): Successful Send

Page Record: 1 - 5.

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Date: Friday, May 09, 2008 2:41:44 PM

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To: Thomas M. Farrell

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Fax: (713) 571-9652

Telephone:

Client/Matter: 34005. 18

From: Hope Barnett

Direct Telephone: 713-547-2668

Direct Fax: 713-236-5479

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Attachment: InterOil Defendants' First Amended Answer

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TO: Name: William C. Boyd

Company:

Fax Phone Number: (713) 759-0642

Contact Phone Number:

Info Code 1: 34005

Info Code 2: 18

Sent to remote ID:713 759 0642

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Date: Friday, May 09, 2008 2:42:14 PM

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TO: Name: M.A. Mills

Company:

Fax Phone Number: (713) 572-7010

Contact Phone Number:

Info Code 1: 34005

Info Code 2: 18

Sent to remote ID:7135727010

Sent at:Fri May 09 14:48:45 2008

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Elapsed Time: 1 minute, 32 seconds

Transmission Status (0/339;0/0): Successful Send

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Elapsed Time: 0 minutes, 46 seconds

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Date: Friday, May 09, 2008 2:42:44 PM

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To: M.A. Mills

Company:

Fax: (713) 572-7010

Telephone:

Client/Matter: 34005. 18

From: Hope Barnett

Direct Telephone: 713-547-2668

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